



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

September 9, 2009

James A. Miller, Chair
Iowa Council on Human Services
2985 Arbor Oaks Court
Dubuque, Iowa 52001

Dear Jim:

I am pleased to present the Department's budget worksheets for SFY 2011 for consideration by the Council on Human Services. The fourteen offers provide an overview of the results achieved in our work with a growing number of Iowans who access our services. The funding needed to sustain the array of services is detailed in the financial information following each offer.

The recessionary impacts on shrinking revenue and on demand for services played significantly in the development of our recommendations for SFY 2011 funding. As the recession has deepened over the past several months, growth in the number of Iowans eligible for services has exceeded estimates. For example, the number of FIP recipients, which had gradually decreased over the past decade, has begun to grow, and the number of Iowans eligible for health care coverage through Medicaid topped 400,000, many of them children.

Federal funds available to Iowa and many of our programs for SFY 2009 and 2010 through the American Recovery and Reinvestment Act (ARRA) were effective in minimizing the impact of declining state revenues. As a result, the state was spared what would have likely been painful cuts to program and service delivery during the current year. However, ARRA funds will end mid-year SFY 2011, resulting in the need to restore just under \$170 M to simply maintain current services. We have assumed restoration of those funds in our budget materials.

After your deliberations, the Council on Human Services' recommendations will be forwarded to the Governor. The resulting document will be posted on the DHS web page and accessible to those interested in our work.

I look forward to meeting with you to discuss the budget. As always, staff and I are ready to assist in your deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles J. Krogmeier", written over a horizontal line.

Charles J. Krogmeier
Director

Enclosure

cc: Council Members